THE VICE-CHAIRMAN (SHRI SANTOSH KUMAR SAHU): The consideration of the Motion will be taken up later on, will be discussed on the next day.

SHRI S. W. DHABE (Maharashtra): Will it be taken up on Monday?

THE VICE-CHAIRMAN (SHRI SANTOSH KUMAR SAHU): It will be taken up tomorrow after five, from five to six.

SHRI SATYA PRAKASH MALAVIYA (Uttar Pradesh): No, no. It should be on Monday.

THE VICE-CHAIRMAN (SHRI SANTOSH KUMAR SAHU): I am telling you that the Business Advisory Committee has decided that the House should meet up to six. So, from five to six we will have the discussion on the Union Public Service Commission.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRIMATI MARGARET ALVA): Mr. Vice-Chairman, we have agreed, the Business Advisory Committee has agreed, that the House would sit till six o'clock. The private Members Business finishes at five o'clock. In the evening tomorrow from five to six let us take it up. There are three more speakers. We will finish the reply by six.

SHRI S. W. DHABE: The Calling Attention may not be finished.

SHRIMATI MARGARET ALVA: The Calling Attention is from 12-00 to 1-30.

SHRI S. W. DHABE: The Calling Attention may not be finished.

THE VICE-CHAIRMAN (SHRI SANTOSH KUMAR SAHU): Tentatively we have it. Let us see. If the Calling Attention is not finished, let us decide at that time. Now it is decided that from five to six the Union Public Service Commission would be taken up.

HALF-AN-HOUR DISCUSSION ON POINTS ARISING OUT OF ANSWER TO STARRED QUESTION NO. 81, GIVEN IN THE RAJYA SABHA ON 29TH JULY, 1985, RE. 'PRIORITY LIST OF DRUGS'

THE VICE-CHAIRMAN (SHRI SANTOSH KUMAR SAHU): Mr. Vishvajit Prithvijit Singh to raise a discussion on points arising out of the answer given in the Rajya Sabha on the 29th July, 1985 to Starred Question 81, regarding 'Priority list of drugs.'

SHRI VISHVAJIT PRITHVIJIT SINGH (Maharashtra): Mr. Vice-Chairman, Sir, I thank you for allowing me to raise the Half-an-Hour Discussion.

I would like to start by quoting from the answer given by the Minister on the 29th of July, 1985. The hon. Minister said:

> "While drawing up the list, the criteria which were decided by the UNIDO were taken into consideration by the committee. Then, the list which was prepared by the World Health Organisation was also taken into consideration and the drugs which were mentioned by the Hathi Committee in their report were also taken into consideration."

[**The Vice-Chairman (Shri Pawan Kumar Bansal)** in the Chair.]

Further, he went on to say this. He admitted it, and I am grateful to him for his admission. He said:

> "....I am not an expert; I do not know what drugs are used for what purposes."

I thank the hon. Minister for making this observation. I am very grateful to him.

Sir, I would like to point out that, though we are not experts on drugs, we may not know what drug is meant for what, one thing we do have access

to, and that is statistics, figures, various kinds of economic data. According to me, Sir, the Minister ought to have informed himself of the plethora of the data which is officially available to him much more to him then to me, and only after familiarising himself with the data he should have allowed his Ministry, his Department to make any conclusion about any list. I have compiled myself various lists. I have collected loi of economic data which I am going to lay on the Table of this House at the end of my discussion. I have got with me full file containing various kinds of data which I am going to use to deal with various analyses as I go along. To begin with, the Hathi Committee report listed 105 bulk drugs and said criteria followed was need, they are essential medicines, the criteria was availability the use in medical practice both in urban and rural areas. On the other hand, WHO listed 262 bulk drugs for satisfying the health care needs of a majority of the population. It specified that these drugs should be made available at all times in adequate quantities in appropriate dosage forms. The first and second Schedule of the DPC Order 1979 listed 374 bulk drugs in category I, 23 in categtry II and 331 in category III. On the other hand, the priority list was drawn by the Ministry in original which was a preliminary one. There were 133 drugs. This figure is very important. There were 133 drugs in the final abridged form. It become only 95 drugs, 45 drugs were excluded and 7 were included. This has been stated by the Minister in answer to Rajya Sabha Q. No. 1266 dated the 5th August, 1985. The criteria according to the Steering Committee report for choosing 95 drugs were, these were widely in medical practice in India at the front line, at the second line and at the specialists level. Now, there is one very important thing here, that is, 45 drugs were left out. Now, what are these 45 drugs which were left out? The Minister should not forget that the Steering Committee consists of various sectarian interests representing different sections of the industry. The Working Group consists of doctors who also represent various interests. The list of these drugs which have been excluded is important. I will give a small sampling of it. In the anaesthetics, xylocaine and ethyl chloride etc., have been excluded. Why have these drugs particularly been excluded? Is it because AstraIDL Company the famous multi-national makes the xylocaine? I would like to know from the Minister.

Sir in analgesics, analgin which is one of the most commonly used and formulated by the multi-national companies has been excluded. Sir, gentamycin this drug which is widely used and formulated by the multi-nationals has been excluded. In the gastro-intestinal drug, you know that in our country we have major gastro-intestinal problems. In this case also three drugs—aluminium hydroxide, magnesium hydroxide and calcium carbonite have been excluded. Of course, all these have been formulated by the multinational companies.

In the immunologicals, 11 drugs have been left out including antirabies vaccine, antivenom sera, diphtheria anti-toxin, tetanus anti-toxin., measles. polio, tetanus vaccine, typhoid vaccine. The reasons given in the Steering Committee were that these immunologicals are made by the Government itself. Therefore they do not need to be on the priority list. According to me, if a drug is essential and if it is required, nobody can say that it is not essential. If these drugs are essential, why they are included in the priority list? The priority list is more important as far as the Government is concerned.

Sir, solutions are required in any accident or in any illness or in any kind of situations, Solutions like glucose, glucose with sodium chloride have been excluded. According to me these are also essential. I have mentioned about only 45 drugs. I do not

[Shri Vishvajit Singh]

have enough time for mentioning about other drugs. However, I will lay it on the Table of the House. These drugs have been included from the Honourable Minister's point of view. The data indicated in the Steering Committee Report says that in the priority list are included drugs not intended: 22; produced by one or more formulators 73; 20 from the small scale sector, 21 from the public sector, 30 from the FERA companies, 16 from the ex-FERA companies and 38 from the Indian sector. It is the Indian sector which is hit—38 from the Indian sector out of 95 drugs. Only 15 from the original Hathi Committee list; categories I and II 22 drugs; category III 68 drugs, Category IV 5 drugs. According to me, drugs which ought to have been on the list have been excluded and drugs which ought not to have been on the list have been included. The Operational Research Group of the Sarabhais, its statistical organisation, lists 120 formulations in order of higher trade sales. These are based on 51 bulk drugs. The Government has chosen to put on the priority list only 31 of these bulk drugs which covers 71 products. Therefore, 49 drugs are left out due to 20 bulk drugs being excluded. In addition to these, five more are excluded because of ayurvedic preparations based on herbs and enzymes for which there is no specific bulk drug. Therefore, 20 important bulk drugs have been left out. What are these 20 bulk drugs? I have got a long list here. These are the important bulk drugs and at the top of the list of Balargan made by Hoechst. Balargan Keytone has been left out. This is the very same drug for which, as we are all aware, Messrs Hoechst is enjoying crores and crores of rupees as profit per year because of the laxity of the Ministry. This has become a matter of controversy not just in this House, but everywhere in India. It has been raised here on the floor of the House numberous times. What are the other drugs? Navalgin by Hoechst, Benadryl by Parke Davis—each one of these two companies having sales of Rs. 8 crores, Rs. 6 crores, Rs. 5 crores-Digene by Boots, Sofra mycin, by Roussel, Garamycin by Fulford, Stemetil of May & Baker, Mucaine of Wyeth and so on—several of them produced by Hoechst. The list goes on. I am going to submit this list to the House. Now let us go on further. What do we find from the DPC's' 79 list? It was comprehensive from every angle though the priority list shows that 27 important bulk drugs have not been included. I would like to refer to the list again. What do we find in this? From category I 9 drugs have not been included. Which are these 9? Among them is Iodochlorohydroxy quinoline. This is among the 9. In category II there are two drugs in which at the top of the list there is Analgin. In category III there are 19. Like this there are so many drugs. Why have these been excluded? These are very, very important bulk drugs. Why I am raising this question is there is a nexus between priority list and delicensing. I will start off by explaining the nexus by quoting the honourable Minister himself. There has been a great psychiatrist, a great psychologist, writer, thinker, intellectual, called Fraud. Today when a man has got something which he knows it is there within him but he does not want to admit it, when it comes out by mistake, we call it a Freduian slip. I would like to quote the honourable Minister's Ferudian slip. The other day when he was speaking in the House he said—this is a transcript taken from the House—

> "There was a list of drugs for decontrol. It was drawn up by the NDPDC." . . .

This is the honourable Minister speaking, Sir, on the 29th July, 1985. The Minister by his Freudian slip has shown us that there is a nexus between the Priority List . . . .

SHRI DARBARA SINGH (Punjab): Wonderful exposure:

SHRI VISHVAJIT PRITHVIJIT SINGH: . . . and the Delicensed List, 95 drugs are there in the Priority List and 95 drugs are there in the Delicensed List. There are only 79 drugs which are common to both the Priority List and the Delicensed List. So, from now on I will only deal with these 79 drugs lest the Minister should accuse me of not discussing the Priority List. In Category I—7, Category II—10, Category III—54, and in Category IV—8, and, therefore, it is 79. There are 15 drugs which are on the priority List which have not been delicensed. Most of them are from the public sector, one from the small-scale sector and four from others. I have no quarrel with the Minister on this and I will not discuss this part. If we do an analysis, we will find that out of these 79 drugs, 20 drugs are from the multinationals, 25 from the national sector, 16 through imports and for the rest 18 I have no data, but I am sure the Minister must have some data. I have got a list of 12 drugs in whose case the entire demand is being met through domestic production We have got the installed capacity and we are making enough of these drugs But they have not been delicensed at all. They are included in the Priority List and they are also included in the Delicensed List and, Sir, these 12 drugs need not have been put on any list. I am giving you the list, Aspirin, Ampicillin, Metranidazole, Equibrom, etc. The list goes on and on. So, I am going to table it. Sir, I have done another exercise with regard to the unimportant bulk drugs which have been delicensed. Why do we call them unimportant? Because they have been made in such small quantities What type of drugs are they? I would like to show it to you. There are 24 which are completely unimportant. Why have they been put on the Priority List and also on the Delicensed List? I do not know. I do not know why they have been put on both the Lists. Let me give you this list also. I will mention a few first: Ferrous salts, hydroxilin, nitrous oxide, that is, laughing gas, Sir. Even that they have put on this list. Why? There is hardly any production.

AN HON. MEMBER: Because the people can laugh and be happy.

SHRI VISHVAJIT PRITHVIJIT SINGH: At least I am not happy; I am not happy at all.

Sir, if there are important drugs, the Government fixes the targets for them. In the Sixth Plan, they had fixed the targets and in the Seventh Plan—the Draft Plan is ready—they have fixed the targets. There are 21 drugs again for which no targets have been fixed and they are on the Priority List and they are on the Delicensed List! I would like to mention the names of a few. These are common to both the Lists: Metranidazole, and again nitrous oxide. There are 21 drugs on the List and what for they have been put on the List I do not know. Further, Sir, I have done another exercise.

The Government has fixed targets for certain drugs and I find that many of them have been delicensed and put on the Priority List. But there are 56 drugs in all which are being manufactured by the Government and targets have been fixed in the Seventh Plan. The honourable Minister has not deemed them fit to be included either in the Priority List or in the Delicensed List. I would like to give you an example, one from each page of my List; maybe that is the reason why it has been excluded: (1) Intestopan—made by Sandoz, a multinational company; (2) Vitamin E—Roche, a multinational. It goes on like this. This is a list of 56 which I am submitting to the House. Sir, furthermore, if we look from the import substitution angle—this is another angle that not enough is being made within the country. You look from the import substitution angle, what we are importing every year. Every year the import bill is

[Shri Vishvajit Prithvijit Singh]

going up. Do not forget. This list is dealing with drugs which are of Rs. 50 lakhs value and above. I have taken the last three years. Now, when you talk in terms of Rs. 50 lakhs, you are talking actually in terms of Rs. 3 crores because Rs. 50 lakhs worth of drugs plus Rs. 50 lakhs worth of import duty, and when it is finally formulated it becomes Rs. 3 crores. It is an important matter. What do we find? I find a huge list of drugs which have not been put on either list. The Ministry has not bothered about them. Let me just give you an idea of what they are like: Framycitin, import in 1981-82 was Rs. 46 lakhs, in 1982-83 it was Rs. 62 lakhs and in 1983-84, Rs. 95 lakhs; Dipyridamol: import in 1981-82 was worth Rs. 71 lakhs. in 1982-83, Rs. 75 lakhs and in 1983-84 it was Rs. 82 lakhs; Alkaloids of Ergot: import in 1981-82 was worth Rs. 142 lakhs. in 1982-83 it was Rs. 170 lakhs and in 1983-84, Rs. 103 lakhs. The list goes on and on. I do not want to carry on and waste the time of the House. So, Sir, we find that from the import and growth angle also, the Ministry has not taken care... (*Time Bell rings*) I have got another list, Sir. I am coming to the conclusion. I am just about to finish. I have got another list, Sir, which is below Rs. 50 lakhs.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Will he be able to reply to all ..(*Interruptions*).

SHRI VISHVAJIT PRITHVIJIT SINGH: He has to reply. The House and everybody is patient. Last time I had half-an-hour discussion; it went on for 2½ hours. There is a precedent. This is the only chance we get.

I have another list which is below Rs. 50 lakhs. That was above Rs. 50 lakhs. Both of them are there. According to me, Sir,—and I think this is very important—there is only one particular criteria for priorities. only one. And that should be that all essential bulk drugs widely used by practising doctors and hospitals. The number could be around 150. Production and imports could be monitored. Plan targets should be fixed and self-reliance ought to be encouraged.

Similarly, Sir, there is a set of criteria for delicensing. We must not mix up these. The hon. Minister's department tends to mix up the priority lists, de-licensing and price control. It is now attempting to put all of them in the same basket. According to me, Sir, each one has to be put separately. There can be a certain amount of coalition because drugs, of course, are drugs. But the point is that you cannot view them with the same binoculars. You have to look at them from different angles. The criteria for de-licensing ought to be where there are heavy imports, where technology is not easily available for national sector companies, where new drugs are under approval by the Health Ministry and where monopoly production is in the hands of one or two units. Therefore, Sir, I would like to ask the Minister, firstly, what actually—once again I would ask the Minister rather—what actually was the rationale behind the drawing up these priority lists? This is No. 1. No. 2, will the Minister make sure that those drugs which have unnecessarily crept into the priority list which do not require to be there, shall be removed? No. 3, will the Minister make sure that those drugs which have been either advertently or inadvertently left out of this list will be included in those lists, and the lists will be sufficiently expanded to follow certain laid down norms, criteria and logic? And when will he announced all this, Sir?

Thank you.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): After the hon. Minister has replied, the Members will put questions and the Minister will reply again.

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL): Sir, the hon. Member, Shri V. P. Singh, wanted to seek certain information. He wanted to know the basis for drawing up the priority list. He wanted to know how 374 bulk drugs which are included in the Drug Price Control Order on the basis of the Hathi Committee Report have been reduced to 95 in the priority list that has been prepared. He wanted to know why 45 drugs have been left out. He went on explaining how some very important drugs being manufactured particularly by the multi-nationals have been excluded only to help the multinationals. He wanted to know why the drugs which ought to have been included have been excluded and similarly 20 important bulk drugs which ought to have been included have not been included. Lastly, he wanted to extract an assurance from me whether I am prepared to remove, out of these 95 drugs included in the priority list, some of the drugs which are not so important and whether I would agree to include some of the very important drugs according to him to be included in the priority list.

Sir, I am sorry to say that the hon. Member is under the impression that the priority list has been drawn up by the Ministry or by the Government. Here I want to give some details. The National Drugs and Pharmaceutical Development Council was constituted some time in 1983 and this Council met in May, 1983. In their first meeting, they recommended—the constitution of 3 Working Group to study and report to the Council on the various aspects of the existing drug policy, the need for review or revision of the existing policy and to recommend and to recommend changes wherever necessary. This National Drugs and Pharmaceutical Development Council constituted 3 Working Groups in order to study this problem. The 3 Working Groups submitted a report to the National Drugs and Pharmaceutical Development Council. Then the NDPDC, in order to consolidate all the three reports received from the Working Groups, appointed a Steering Committee. The Steering Committee made recommendations and submitted those recommendations to the NDPDC. The NDPDC accepted their recommendation or their report to the Ministry. On the basis of the report that the Ministry has received from the NDPDC, they are examining and processing the recommendations. The Ministry has not taken any final view in the matter. I am explaining all this not because the hon. Member does not know this. He is fully aware of all these things. Sir, in the NDPDC meeting there were certain Members of Parliament also who were associated with the NDPDC. In fact, the chairman of the Steering Committee was himself a Member of this House, a Member of the Rajya Sabha. Sir, this is the Report which the NDPDC has submitted to the Ministry. And I have already placed five copies of this Report and also the reports that the NDPDC has raceived from the Working Group in the Parliament Library, and I have already told the House that these reports are available and if any Member is interested in persuing the reports or going through the reports, he is at the liberty to go to the library and get one on these copies and study the report. Sir, whatever information I have given in reply to that question on the 29th July or so, I have given that information based on the Report that we have received from the NDPDC. Sir, in the NDPDC Report, at page 7, they said that "the following criteria for inclusion of drugs in the essential list were recommended by the UNIDO." That means, the Report says that while drawing up the list, they have taken the guidelines of the UNIDO. And further they say,"Bearing in mind the above criteria and using the WHO list and the Hathi Committee list as the basis, the medical experts so and so who are members of the Steering Committee met together for a discussion on drawing up the priority list."

[Shri Veerendra Patil]

So, these medical experts have prepared or they drew up a priority list. Of course, the list that was prepared by these medical experts was prepared from health angle. But when it came before the Steering Committee, the Steering Committee not only accepted this report that was prepared by the experts committee but they further said that 'this priority list should be accepted not only from health angle but it should also be accepted for price control'. Sir, this is their Report. I am reading the extracts from page 13 of this Report "The consensus" Para 16 says "Price control should have a lesser span than now. That is the Report of the NDPDC. And again they say, "All the formulations based on priority drugs will be under price control. But only their essential doses, forms would be subject to price tag." Sir, this is the report submitted by the NDPDC and this Report, I think, is signed by all the members of the NDPDC. Now, Sir, after having received the Report, if the hon. Member says that this is the Report produced by the Ministry, I do not know what explanation I can give. If he wants an explanation from me on whatever that has been said in this Report, if he wants an explanation as to why they have said like this and like that in that report, why they have excluded these from the priority list, why they have included these in the priority list, how can I give the explanation because I am not the author of the reports. This is not the Report prepared by the Government. This is not the Report prepared by the Ministry. This is the Report prepared by some other organisation that is called the NDPDC. On that, I have not taken any view; we have not taken any final decision. And why I say that? The hon. Member is under the impression that this is the Report produced by the Ministry and that the Ministry is a party to this Report because he said that the priority list was drawn up by the Ministry. Sir, I humbly submit that it is not a fact. We have not drawn up any priority list. And we have not taken any final view with regard to the list that has been drawn up and incorporated in this NDPDC Report. We have received the NDPDC Report. We are processing it. We have received representations from several people. We had an occasion to know the views of the hon. Members of Parliament both in this House and in the other House. Sir, before we take a view, we will consider all these. We will consider not only the recommendations which are included in this Report but also we will consider the views of the hon. Members, we will consider the representations that we have received from different organisations before taking a final decision. Once we take a final decision, then we will come to the House. At that time, the hon. Members are at liberty to ask why you have done like that, why have you taken this decision, what were the factors that weighed in favour of taking such a decision? At that time they can ask all these questions But if they ask something about the report now, I am not in a position to say anything because it is not my report. I am not the author of this report. The NDPDC has produced this report. And the hon. Member is asking me why they have produced such a report. I can only say that so far as the expert committee is concerned, the medical experts are concerned, they prepared a priority list of 95 and I agree that they prepared the priority list from health angle and after they prepared the priority list when it was submitted to the steering committee, the steering committee said that not only do we accept this priority list of 95 drugs prepared by the medical experts from health angle but we also accept this priority list for price control basis; that is their recommendation. And, I have not said that I have accepted the recommendation. I have not expressed any views or reaction with regard to the recommendations that have been made by the NDPDC because we have

yet to take a view, because we have yet to take a decision.

Therefore, Sir, my humble submission is that I wanted to clarify this position. With regard to the recommendations of this report, we are considering, we are examining, we are processing, not only we are taking into consideration the recommendations of this report, we are also taking into consideration the other suggestions and other representations that we received including the views of the hon. Members. After taking all that into consideration the Government is expected to take a final decision Therefore, Sir, if hon. Members want to know anything about this report, I think I am not the proper person to answer. The proper person or persons are those who have produced this report.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Yes, Dr. D'Souza. Kindly put straight questions.

DR. JOSEPH LOEN D'SOUZA (Maharashtra): How can I simply ask questions?

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): A lot of time has already been taken. Please be very brief.

SHRI VISHVAJIT PRITHVIJIT SINGH: Sir, this is a very important topic.

THE VICE-CHAIRMAN (SHR PAWAN KUMAR BANSAL): I acknowledge that.

DR JOSEPH LEON D'SOUZA: Sir, I will try my utmost to comply. (*Interruptions*).

Mr. Vice-Chairman, Sir, the terms of reference and the criteria to be adopted for the selection of drugs for the priority list were revealed by the Government in answer to a Lok Sabha Question No. 52 as recently as the 23rd July, 1985. Sir, I quote: "Abundance of drugs at regulated and reasonable prices for most common disease should be made available at all times to a large majority of people."

Sir, the theme was laudable but utterly frustrating was the methodology deployed in selecting drugs for price control which renders the entire exercise done as highly suspect. It also raises the question of doubt regarding the credibility of the priority list published that is sought to be finalised. In order to substantiate this, I am placing before this House and before the hon. Minister certain salient points, 1, 2, 3 etc. (a). The first five drugs on the list belong to the general anaesthesia group used only by surgeons for major operations. How can any saneman include these drugs for treatment of common ailments prevalent among the people? Sir, as a medical man, I cannot understand how this would help in the treatment with reference to the terms of reference which were laid down by the Government. What explanation can the Minister give for this cardinal blunder sought to be perpetuated by the NDPDC in their recommendations. This is a warning note for the Government and the hon. Minister. Take heed of this and any such thing like this which has been recommended should be discarded forthwith. I know it is under the active consideration of the hon. Minister. He has been harping on this throughout his answer.

I am now bringing to his notice the things which he should be careful about in the recommendations made and I think, it is my duty, as a Member of Parliament to highlight this to bring this to his notice. Sir, on this expert group, referred to by the Minister, were eminent medical experts. And none can deny their credibility. Therefore, I was always wondering how such eminent people could have made such recommendations. But Sir, later on, I stumbled on a letter written to an hon. Member of this House, Mrs. Maimoona Sultan, by Dr. Harish Grover, an eminent cardiologist and hon. Secretary of the Indian Medical Association, member of the expert

[Shri Joseph Leon D'Souza]

group, steering committee and NDPDC wherein, he categorically asserts that despite repeated requests to furnish the concerned members with specific terms of reference for selection of priority list, they were informed that the said list was not for the purpose of price control. Sir, you will appreciate that this matter now assumes serious dimensions. Sir, you are a lawyer. I am making my points. You will appreciate the points I am making. This has now assumed serious dimensions.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please be conscious of the time also.

DR. JOSEPH LEON D'SOUZA: Only two or three minutes more.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Precisely.

DR. JOSEPH LEON D'SOUZA: Sir, the Minister cannot exclude the possibility of the officials of his Ministry seeking to mislead the members of the committee. This possibility must be included in an enquiry. Sir, as authentic data, as an exhibit, as authentic evidence. I am placing this before the House. Not only the letter of Dr. Grover, but two other letters, which prove the same factor, from Dr. B. B. Goitonde, Chairman of the steering committee—he has denied in a letter to somebody else, but the Minister in answer to one of my queries has specifically said that Dr. B. B. Goitonde was the Chairman of the steering committee which he denies—and another letter from Dr. Satyavati, senior Director-General. I am placing them before the House.

It is also observed that 22 drugs referred to by my friend have been included in this list for price control belonging to Category I and II, having a mark-up between 40 and 55 per cent. To this group belong anti-TB and anti-leprosy drugs. The Congress Party and the Government are wedded to the cause of fighting or combating these diseases on a war footing. I am proud to say that the Prime Minister, his Cabinet and the Government had shown their sincerity to do this by waiving of 105 per cent of customs duty, 7½ per cent of excise duty on formulations that are made in order to give relief to the poor and make the drugs come within their reach. What is the proposal here? The proposal is that the mark-ups of these two categories should be stepped up between 65 per cent. to 150 per cent. Will this not produce escalation in the prices of these drugs? Will millions of people not be affected? As it is....

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You just put the question.

DR. JOSEPH LEON D'SOUZA: I have not repeated anything. I have given the factual points.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Just pose your questions.

DR. JOSEPH LEON D'SOUZA: These are all questions. These are (a), (b), (c), (d) parts of the question.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Don't give explanations with that because you have already taken nine minutes. For putting the questions there should not have been more than five minutes.

DR. JOSEPH LEON D'SOUZA: What is the problem? I cannot understand the problem. I can show you the precedents where Half-an-hour Discussion has taken 2½ hours. Why am I being discriminated?

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You are not being discriminated. I am looking to the time so that the discussion could be finished in the time allotted to it. You have taken much more time. I began with that and I hope you will just conclude by putting the

questions now. There are other Members also to speak after you.

DR. JOSEPH LEON D'SOUZA: All right, Sir. It is a very good question. but I want to highlight this question to the Minister. These particular companies who have not adhered to the norms or the provisions in the drug policy have been rewarded. I am referring to provision 59, Mr. Minister, where in the House you said a couple of days ago, how is the Government to control anyone who is producing any of the drugs so long as he does not overstep his production? As long as he is within the limit, what can we do about it? If that is so, I am sad to say that the hon. Minister is not acquainted with his own drug policy. Section 59 clearly lays down that the Ministry will ensure that 20 per cent of the yearly sales turnover of a company will—I would rather use the word 'shall'—be devoted to the production of category 1 and 2 drugs so as to maintain that amount of production for these poor people. Where have you exercised this provision? Has this provision ever been exercised? It is pathetic to see how this has been said and at the same time how such defaulting companies have been rewarded. They have been given fresh licences. They have been given licences even during the ban period. I am referring to Cefarex? Letter of intent was issued during the ban period. To what extent will the officials in the Ministry justify this? Is this the approach to the call of the Prime Minister who wants to see India self-reliant in the near future? Are these their efforts I would like the hon. Prime Minister to know the activities of this Ministry.

Lastly, Sir, I have found it extremely fascinating to sit down and unravel and decipher the clever. manipulations and machinations resorted to by the Ministry. I will give one or two examples regarding this. I find in the group of dermatological drugs, Betametazone has been included in the list. Now, Sir, Betametazone formulations are myriad. This is only one formulation. Now the entire formulations have a turn-over of 23 to 25 crores a year. Why a small one has been taken. And this is the production of only one company—Glaxo. Now one of the formulations only has been taken to treat the skin diseases and the rest with a turnover of 14 crores have been kept aside. away from the price control. If these have a turnover of 14 crores, certainly people require them for the treatment of their common ailments and it is the bounden duty of the Minister to ensure that such formulations will be brought under price control in the larger interests of millions of people in this country. Sir, I am speaking here for them; I am their representative, and I have a right to protect their interests. Could these poor millions of people not ask for a simple thing "Give me a chance to live". Is that too much to ask and too much to give? You are favouring one particular individual at the cost of millions of our people. I don't think anything could be more degrading than this. There are limits to degradation. But I think we have reached the top limit. And finally, Sir....

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You said "finally" earlier also.

DR. JOSEPH LEON D'SOUZA: Doesn't matter. There is always a finality.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please just conclude.

DR. JOSEPH LEON D'SOUZA: There are other things also. There is only one interesting thing. Sir, you will also be interested in this.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL: Yes I have been listening to you with interest but looking to the time. I want you to conclude now.

DR. JOSEPH LEON D'SOUZA: On going through the report I found that one or two representatives—I do not want to mention whom they represent, but they are public companies or public institutions—the very presence of these members on that Committee—cleverly kept out drug formulations which had a sales turn-over of over 40 crores of rupees I will mention a few: Proxyvin, Novalgin, Balargan, Avil. I need not educate the Ministry as to who were responsible: they know it very well: and for reasons best known to them. Sir, the motive is clearly established here This was done to favour individual companies at the cost of millions of people. After the note of caution that I have tried to establish before him, will the Minister take heed of this when the final selection is done and the Government applies its seal to it and also to the policy of the Government Thank you.

DR. SHYAM SUNDAR MOHAPATRA (Orissa): Sir, this is a vital question affecting the people of our country and I shall crave the indulgence of the hon. Minister that we should not be a post office between the Committee and the Government. He has to act. You are the Minister. You are in command of the whole situation. Let us not play into the hands of the multinationals. In fact, it will be a sell-out if we go to follow this policy. Sir, a newspaper critic writes, "Quite a few of the multinationals have been striving for some time to get licence for a number of drugs now covered in the delicensed list. The example of Pfizer trying to get permission to produce Doxycylin and about endeavouring to get licence for Erithromycin may be cited." Sir, the Vice-President of the Small Drugs Manufacturers' Association told the other day that some of the small-scale units would be threatened with closure if the Government persists with its policy. The critics of this policy say that the delicensing of 82 drugs in addition to 12 bulk drug intermediates brought under the scheme of March 16, 1985 apparently was influenced by the conclusion that these drugs are in short supply. Sir, they are not in short supply at all: the Director-General of Supplies and Disposals knows it. The question is, who is the master of the situation to tell what has to be done and what has not to be done? All the four experts—Dr. B. B. Goiionde, Dr. H. Grover, Dr. S. S. Gothoskar and Dr. Satyavati, the Cardiologist, are essentially theoreticians. Mr. Minister, when you go to a doctor for your ailment, he does not go through the list, he has his own pet medicines. Somebody gives Analgin, somebody gives Novalgin, somebody gives Proxyvin and somebody gives something else. It is the preference of the doctors and they will naturally go to that medicine which is not covered because they get maximum commission because these medical representatives go on trying to catch all the doctors and the canvassing will be for those which will get them a better profit. I would crave the indulgence of the Minister to have a policy so that you have all the drugs under your control, a unified policy not a half-way house between this and that. It is better we bring everything on the priority list so that there is no commission or omission. It needs a very bold step and the Minister should take it. If you can do it, it will do the greatest good to the greatest number in the society and you will have their blessings.

Sir, there are medicines in which the multinationals have 200 to 500 per cent of profit, say, Unichem's digestive pill—I forget the name—or Doxycylin or Proxyvin. There are medicines for diarrhoea where you have 500 to 1000 per cent profit also. I want to know whether the Minister will go into it and try to find out what should be the scope of it. In 1978, in the drug policy of the Government they wanted to take the whole stock of the production but it has not been done so far. They should do it

Another point which I want to bring to notice is that the difference between the duty which is levied on the intermediate and the duty on the production should be kindly considered. I want to know whether he will consider it and bring it in tune so that the manufacturers will be happy.

Sir, the small drug manufacturers are complaining that most of the delicensed drugs are being produced in abundance by the small-scale sector and are made available to the formlators at a price much lower than that has been fixed by the Government. This is a question which has to be gone into. These multinationals exploit the small drug manufacturers. They get all these medicines made by them and with a brand name it goes to the market. We have to favour the small drug manufacturers and at their cost we cannot certainly help these multinationals. I hope Mr. Minister will kindly consider all these and on the questions raised he will reply to us. Thank you.

PROF. (MRS.) ASIMA CHATTERJEE (Nominated): Thank you. Mr. Vice-Chairman, Sir, for giving me this opportunity to participate in this particular discussion. I am not going to ask any question which will place our honourable Minister in an embarrassing position but what I would like to know from the honourable Minister is, when the priority list of drugs is still tentative, is it not possible to include some of the vital life-saving drugs, important drugs, in the list? For example, there are Analgin, Aspirin and Sulphadiazin. I mention Aspirin particularly because as from Aspirin we can prepare soluble aspirin. It is a very important analgesic
7 P.M. drug for peptic ulcer patients because the peptic ulcer patients cannot use aspirin as such. They will have to use soluble asirin. That is why I am raising this question. I personally know Dr. Goitonde, Dr. Grover, and Dr. Satyawati also. So, may I request the hon. Minister to ask the NDPDC to reconsider their list and to revise their list to include all the important drugs which have been excluded from the priority list of drugs. Thank you.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Just one minute, Mr. Irshadbaig. Your name was not there. So, just one minute.

Thank you very much.

श्री इर्शादबेग मीर्जा (गुजरात) : माननीय सभाध्यक्ष जी, हमारे साथ श्री सिंह साहब ने बहुत ही अच्छे ढंग से इस प्रश्न को मंत्री जी के सामने रखा है। जैसा आपने कहा है, मैं एक मिनट में अपनी बात कहना चाहता हूं और केवल एक प्रश्न मंत्री जी के सामने रखना चाहता हूं। इस टॉपिक पर संसद् के साथ-साथ जो हमारी परामर्शदात्री समिति है उसमें भी बड़ी गम्भीरता के साथ बहस हुई है। उन्होंने मूल्य नियंत्रण की बात कही है। आज जो मूल्य ऊंचाई पर जा रहे हैं उनको नियंत्रण में लाने की बात कही है। मैं मंत्री जी से इतना ही जानना चाहता हूं कि इस प्रश्न पर जो इतनी गम्भीरता के साथ बहस हुई है और परामर्शदात्री समिति में भी इस पर जो बहस हुई है और जो सर्वानुमति से निर्णय हुए हैं, क्या आप इनको अपनी नई नीति में रखेंगे? दो सिटिंगों में इस बात को भी अच्छी तरह से सभी लोगों ने रखा है और सर्वानुमति से कुछ निर्णय लिये हैं। इसलिये मैं मंत्री जी से यह कहना चाहता हूं कि नई नीति में आप उन बातों को ध्यान में रखें। जो रिपोर्ट आई है उस रिपोर्ट को मंत्रालय ने अभी स्वीकार नहीं किया है। ऐसी हालत में मैं मंत्री महोदय से यह जानना चाहता हूं कि जो बातें परामर्शदात्री समिति में हुई हैं और जो बहस यहां पर हुई है और जो सर्वानुमति से निर्णय लिये गये है उनको आप क्या नई नीति बनाते हैं समय ध्यान में रखेंगे? मैं आशा करता हूं और मुझे पूर्ण विश्वास है कि आप नई नीति बनाते समय उन बातों को ध्यान में रखेंगे।

SHRI VEERENDRA PATIL: Sir, some Members have expressed their views. I can only say that they have given some suggestions.

[Shri Verendra Patil]

Sir, particularly Dr. D'Souza, while expressing his views, again repeated what Mr. V. P. Singh had said. I must submit that he has not made any new point. He wanted to know what the methodology employed by the NDPDC was while drawing up the priority list. Again he went on arguing how very important drugs have been omitted and how unimportant drugs have been included in the list. Sir, I have already made it clear that we are not a party to this report, although hon. Member, Dr. D'Souza, feels that the Ministry officers were responsible to mislead the Steering Committee and the NDPDC. I do not know on what basis he has made this statement.

DR. JOSEPH LEON D'SOUZA: I will place the authentic data before the House and ask for an enquiry.

SHRI VEERENDRA PATIL: Sir, I can say that the Ministry officers have nothing to do with the contents of the report. There was no question of influencing any of the members of the NDPDC because they are, according to the hon. Member and other hon Members, all very important and eminent people.

Sir, what I could derive from the points made out by Dr. D'Souza, is that he wanted to know whether Government wanted to discard this report Sir, I can only say that there is no question of discarding any report, because this is a report issued by NDPDC and the recommendations are there. The recommendations will be considered. Today, I am not in a position to say how many recommendations, the Government is inclined to accept and how many recommendations the Government is not inclined to accept. It is too early for me to say that.

Dr. D'Souza again mentioned about Dr. H. Grover. Dr. Grover was one of the members of the expert committee. He also wanted to know whether there were any terms of reference that were given to the expert committee. In the report itself it is made very clear. On page 7, it is said:

> "That bearing in mind the above criteria in using the WHO list and the Hathi Committee list as the basis the medical experts Dr. B. B. Gatlonde, Dr. H. Grover, Dr. S. S. Gothaskar and Dr. Satyavati who were the members met together for a discussion on drawing up of the priority list".

This was only an internal exercise that was done by the Steering Committee. The Steering Committee members sat together—they said that they will not ask so and so member to draw up the priority list. Accordingly they drew up a priority list and gave it to the Steering Committee. I have already made it very clear when they drew up the priority list on the basis of the Health Angle. But when it came before the Steering Committee, they approved it not only from the health angle, but they also said that this list should be adopted for the purpose of the price control. They are the signatories to this list. If the hon. Members want to know on what basis they have recommended this list. I think, the names of the members are here and they can contact the members who are party to this report. They can get whatever information they want from them, but not from the Ministry, because we are not the authors of this report.

Sir, again he went on saying about mark-up and all that. This is what they have reported. With regard to the mark-up also there is a unanimous opinion. There are divergent views that have been expressed and it is all incorporated in the report. So, I have nothing to say beyond that.

One more point the hon. Member, Dr. D'Souza made that these multinationals are not producing 20 per

cent, although it is obligatory on their part to produce 20 per cent essential drugs given in category I and II.

Sir, this is the recommendation. We have not been able to implement this recommendation, because it requires amendment to the earlier Industries (Development and Regulation) Act. Unless IDR Act is amended, there is no statutory backing for this recommendation. Therefore, we have not been able to implement this recommendation

SHRI VISHVAJIT PRITHVIJIT SINGH: They. stop issuing future licences.

DR. JOSEPH LEON D'SOUZA: Don't give them licences.

SHRI VEERENDRA PATIL: So far as the future licences are concerned, for FERA companies, the question of licences arises only if they are interested in producing high technology items from basic stage. That policy will be followed.

I do not know whether the hon. Member, Mr. Mohapatra heard what I had said in the beginning. I did not say that I am going to be a post office so far as this report is concerned. This is not a controversy between NDPDC and the Ministry. After all I have to take a decision on this report. Today, I am not in a position to say how many recommendations I am going to accept and how many recommendations I am not going to accept. I want to make it very clear once again that I am not going to be a post office because a heavy responsibility is cast upon the Ministry and the Government of India to take a decision on these recommendations either way.

Regarding delicensing, it is true that in the first instance we delicensed about 12 drugs. In the second instance, we delicensed 82 drugs. But in regard to these industries which have been delicensed, it is only simplification of the procedure. And for these drugs which are delicensed, the advantage will not go to the FERA companies or multinational companies. We have made it very clear that this is only for non-MRTP and non-FERA companies, and so far as industries which are reserved for small scale sectors are concerned we have not touched them, we have not included them, we have taken care to see that whatever drugs are reserved for small scale industries, they are not touched. So far as these 94 or so drugs are concerned which are delicensed—there delicensing means even earlier also everybody had an opportunity to apply and get a licence or a registration. Earlier they used to go to the DGTD for registration. Now we have only changed the procedure. Instead of the DGTD they have now to go to the SIA for registration. Automatic registration will be done, but they have to complete other formalities before registration is made effective. Therefore it is only simplification of the procedure, liberalisation of the procedure, not delicensing.

The honourable lady Member asked whether we are going to include Analgin and Aspirin and other things in the list of 95 or so. It is a suggestion for consideration. That is why I have not made any commitment that this is the final list and that we are going to accept this list without changing a comma. That is why I have made it very clear that this is their recommendation and Government has to take a view in the matter.

ANNOUNCEMENT RE. GOVERNMENT LEGISLATIVE AND OTHER BUSINESS

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I have to inform Members that the Business